

St. John's Law Review

Volume 5
Number 1 *Volume 5, December 1930, Number 1*

Article 29

June 2014

Workmen's Compensation Law--Validity of Law Requiring Compulsory Contributions to Compensation and Rehabilitation Funds (Staten Island Rapid Transit Rwy. Co. v. Phoenix Indemnity Co., 281 U.S. 98 (1930))

St. John's Law Review

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Recommended Citation

St. John's Law Review (1930) "Workmen's Compensation Law--Validity of Law Requiring Compulsory Contributions to Compensation and Rehabilitation Funds (Staten Island Rapid Transit Rwy. Co. v. Phoenix Indemnity Co., 281 U.S. 98 (1930))," *St. John's Law Review*: Vol. 5 : No. 1 , Article 29.
Available at: <https://scholarship.law.stjohns.edu/lawreview/vol5/iss1/29>

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has secured an assignment of the property in question,⁵ or is acting by virtue of a statute vesting title in him,⁶ or a quasi-assignee to enforce a statutory liability for corporate debts.⁷ An early case in this jurisdiction denied a foreign equity receiver the right to sue on the ground that his appointment in another jurisdiction had no extra-territorial effect.⁸ A later case adopted a broader view.⁹ The business of a corporation is no longer restricted to the confines of the state of its creation. The rule adopted must conform with changing conditions. In the instant case the need is recognized and the rule made to conform. It remains to be seen what effect this decision, if sustained, will have on the attitude of courts in other jurisdictions.

F. A. D.

WORKMEN'S COMPENSATION LAW—VALIDITY OF LAW REQUIRING COMPULSORY CONTRIBUTIONS TO COMPENSATION AND REHABILITATION FUNDS.—Joseph Perroth, in the course of his employment by one Anderson, was killed through the negligence of the appellant Railway Company. Perroth left him surviving a dependent, his widow. In an action brought by his administratrix against the appellant to recover damages caused by his death, the claim was settled by the payment of an amount in excess of that which the dependent would have been entitled to receive under the Workmen's Compensation Law, appellant receiving a general release in full settlement of all claims. As insurer of the deceased's employer, respondent paid the state treasurer the amount of two awards of \$500 each, made jointly against the employer and respondent under subdivisions 8 and 9 of section 15.¹ This suit was then brought by respondent under

⁵ Hawkins v. Glenn, 131 U. S. 319, 9 Sup. Ct. 739 (1889).

⁶ Relfe v. Rundle, 103 U. S. 222 (1880).

⁷ Converse v. Hamilton, 224 U. S. 243, 32 Sup. Ct. 415 (1912).

⁸ Hope Mutual Life Ins. Co. v. Taylor, 25 N. Y. Sup. Ct. 278 (1864).

⁹ Mabon v. Ongley Electric Co., *supra* Note 1.

¹ Sec. 15. Schedule in case of disability. The following schedule of compensation is hereby established * * *

8. Permanent total disability after permanent partial disability. If an employee who has previously incurred permanent partial disability through the loss of one hand, one arm, one foot, one eye, incurs permanent disability through the loss of another member or organ, he shall be paid, in addition * * * out of a special fund created for such purpose in the following manner: The insurance carrier shall pay to the state treasurer for every case of injury causing death in which there are no persons entitled to compensation the sum of five hundred dollars. The state treasurer shall be the custodian of this special fund and the commissioner shall direct the distribution thereof.

Subdivision 9 provides for the expense of rehabilitating injured employees and requires the insurance carrier to pay the state treasurer the sum of five hundred dollars under terms similar to those contained in subdivision 8.

section 29 of the Workmen's Compensation Law² to recover the amount from appellant which had wrongfully caused the death. The New York Court of Appeals decided that the state treasurer was entitled to the awards paid by respondent and that respondent was entitled, under section 29, to recover from the party causing the death; that the provisions of that section, which justified the recovery, did not violate the Fourteenth Amendment by denying either due process or equal protection of the laws.³ On appeal to review that judgment, *held*, affirmed. The Workmen's Compensation Law does not take property without due process, nor does it deny the equal protection of the laws because its classification rests on a reasonable social policy. This view is aided by the relief from liability on the part of the employer and the assurer when the injured party is without dependents. The section operates uniformly against all wrongdoers whenever awards as required by subdivisions 8 and 9 of section 15 have been made against the employer or his insurer and such awards have been paid to the state treasurer. *Staten Island Rapid Transit Rwy. Co. v. Phoenix Indemnity Co.*, 281 U. S. 98, 50 Sup. Ct. 242 (1930).

For a discussion of this case in the Court of Appeals, see Note (1929) 4 St. John's L. Rev. 108.

R. L.

² In case of the payment of an award to the state treasurer in accordance with subdivisions 8 and 9 of section 15, such payment shall operate to give the employer or insurance carrier liable for the award a cause of action for the amount of such payment together with the reasonable funeral expenses and the expense of medical treatment which shall be in addition to any cause of action by the legal representatives of the deceased.

³ 251 N. Y. 127, 167 N. E. 194 (1929).